

# DOCKET SECTION

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS ADRA TO INTERROGATORIES OF  
DAVID B. POPKIN  
REDIRECTED FROM THE POSTAL SERVICE  
(DBP/USPS-22)

The United States Postal Service hereby provides responses of witness Adra to the following interrogatories of David B. Popkin: DBP/USPS-T22, filed on September 10, 1997, and redirected from the Postal Service.

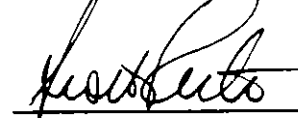
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking



Scott L. Reiter

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September 29, 1997

**RESPONSE OF U.S. POSTAL SERVICE WITNESS ADRA TO INTERROGATORIES  
OF DAVID POPKIN  
REDIRECTED FROM THE POSTAL SERVICE**

**DBP/USPS-22** With respect to the rate being proposed for Library mail, [a] confirm, or explain if you are unable to do so, that the first pound rate and the two additional pound rates are all greater than the corresponding rates for Special Standard mail. [b] Confirm, or explain if you are unable to do so, that the proposed rate for a parcel sent as Library mail will always be greater than the proposed rate for a Special Standard mail parcel of the same weight and destination. [c] Confirm, or explain if you are unable to do so, that up until the rates proposed in Docket R97-1, the rate for Library mail [or its predecessor designation] has always been less than the rate for Special Standard mail [or its predecessor designation]. [d] Confirm, or explain if you are unable to do so, that the contents which may be mailed at Special Standard and Library mail are virtually the same. [e] If you are unable to confirm subpart d, what percentage of the parcels mailed at the Library mail rate have contents which would be eligible to mail at the Special Standard mail rate? [f] Confirm, or explain if you are unable to do so, that the distinction between Library and Special Standard mail is based on the qualification of the sender and/or addressee. [g] Confirm, or explain if you are unable to do so, that all categories of mailers who are eligible to utilize the Library mail rate would also be able to utilize the Special Standard mail rate. [h] Provide and explain any reasons for reversing the price comparison between Library and Special Standard mail starting with this Docket. [i] List any reasons why a knowledgeable mailer would utilize the Library mail rate rather than the Special Standard mail rate.

**Response:**

- a. Confirmed conditionally, that is, if you are comparing the proposed full rate elements (i.e., step 6) of Library mail with those of Special Standard. Please note, however, that the rate element for the additional pound for the 2<sup>nd</sup> to 7<sup>th</sup> pound weight increments for step 5 Library mail at \$0.47 is smaller than the corresponding proposed rate element for Special Standard at \$0.51. Please see Table 4, page 15 and Table 7, page 22 of my testimony, USPS-T-38 for more details.
- b. Confirmed conditionally, that is, if you are comparing the proposed full library rates (i.e., step 6) with those of Special Standard. Please note, however, that the proposed step 5 library rates for 6,7,and 8 pound pieces are *less than or equal to* the corresponding rates for Special Standard mail.

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**Response to DBP/USPS-22 (continued)**

- c. Confirmed conditionally, at least from 1949 on. It appears that prior and up to 1928, they were the same. Moreover, between 1938 and 1942, library rates were higher. Please see attached pages for more details.
- d. Not Confirmed. The content eligibility for Special Standard and Library Mail are not the same. Please see DMM52, E620.4.0 and E620.5.0 for more details. For example, mathematical kits will be eligible for Library rate mail but not Special Standard.
- e. Please see USPS-T-38, page 22.
- f. Not confirmed. Mail content distinguishes also Library and Special Standard mail. See answer to part d.
- g. Not confirmed. See answer to part d.
- h. The reasons behind the proposed rates are explained in my testimony, USPS-T-38, pages 14-17, and 20-22. The cost-based proposed rates do change the traditional relationship between Library and Special Standard rates. The proposed library rates were designed in accordance with statutory requirements that they cover their costs and that their markup is half of that of Special Standard.
- i. It is reasonable to assume that knowledgeable mailers who have library mailings that are eligible to be sent at the lower Special Standard rates, will send such mailings at Special Standard rates. However, as I indicated in my answer to part d, not all library mailings are eligible to be sent at the Special Standard mail rates.

Attachment to Response to DBP/USPS-22, part c.

Table FC 3

Fourth-Class Mail  
Special Rate Category  
Postal Rate History  
(in cents)

<u>Effective Date</u>	<u>Per pound</u>	<u>First pound</u>	<u>Each additional pound</u>
November 1, 1938 <sup>1/</sup>	1.5	--	--
July 1, 1942	3	--	--
March 26, 1944	<sup>2/</sup>	--	--
January 1, 1949	--	8	4
August 1, 1958	--	9	5
January 7, 1963	--	9.5	5
January 1, 1964	--	10	5
January 7, 1968	--	12	6
May 16, 1971	--	14	7
September 9, 1973	--	16	8
March 2, 1974	--	18	8

<sup>1/</sup> Prior to November 1, 1938, parcel post zone rates were applicable.

<sup>2/</sup> Increase of 3 percent, with minimum of 1 cent per piece. Fractions under 1/2 cent disregarded; 1/2 cent or over considered 1 cent.

10/8/74

Attachment to Response to DBP/USPS-22, part c.

Table FC 4

Fourth-Class Mail  
Library Rate 1/  
Postal Rate History  
(in cents)

<u>Effective Date</u>	<u>First pound</u>	<u>Each additional pound</u>
May 29, 1928 <u>2/ 3/</u>	3	1
March 26, 1944 <u>3/</u>	<u>4/</u>	<u>4/</u>
January 1, 1949 <u>3/</u>	4	1
January 7, 1968	5	2
May 16, 1971	6	2
September 9, 1973	6	3

1/ Or regular third- or fourth-class rate, if lower.

2/ Prior to May 29, 1928, parcel post zone rates were applicable.

3/ Applicable to mailing addressed for local, first, second, or third zones or within the State in which mailed. This restriction eliminated, effective August 1, 1958, P.L. 85-426.

4/ Increase of 3 percent, with minimum of 1 cent per piece. Fractions under 1/2 cent disregarded; 1/2 cent or over considered 1 cent.

10/8/74

FOURTH-CLASS MAIL  
LIBRARY RATE  
Rate History

Attachment to Response to DBP/USPS--22 part c.

Effective date	First pound (cents)	Over 1st pound (cents)	Through 7 pounds (cents)	Over Each additional pound or fraction 7 pounds (cents)
January 7, 1968	5	2	-	-
May 16, 1971	6	2	-	-
September 9, 1973	6	3	-	-
July 6, 1975	7	3	-	-
December 31, 1975	8	4	-	-
July 6, 1976	9	4	-	-
July 6, 1977	11	4	-	-
May 29, 1978	11	-	5	4
July 6, 1978	14	-	5	4
July 6, 1979	17	-	6	5
July 6, 1980	19	-	7	5
March 22, 1981	21	-	8	5
July 6, 1981	25	-	9	6
November 1, 1981	24	-	9	6
January 10, 1982	32	-	11	7
July 6, 1982	35	-	12	7
July 28, 1982	32	-	12	7
January 9, 1983	35	-	11	7
February 17, 1985	40	-	14	8
January 1, 1986	50	-	17	9
March 9, 1986	55	-	19	10
April 20, 1986	54	-	19	10
April 3, 1988	64	-	23	12
February 3, 1991	65	-	24	12
November 21, 1993	66	-	24	12
January 1, 1995	112	-	41	20
October 1, 1995	112	-	41	21
October 6, 1996	112	-	41	22

Attachment to Response to DBP/USPS-22, part c.

FOURTH-CLASS MAIL: SPECIAL RATE  
Rate History

Effective Date	Single Piece	First Pound	Level A* Level B** PRESORT	Each additional pound or fraction through 7 pounds (cents)	Each additional pound or fraction (cents)
January 7, 1968	12.0	---	---	---	6.0
May 16, 1971	14.0	---	---	---	7.0
September 9, 1973	16.0	---	---	---	8.0
March 2, 1974	18.0	---	---	---	8.0
July 6, 1975	19.0	---	---	---	9.0
September 14, 1975	20.0	---	---	---	9.0
December 31, 1975	21.0	---	---	9.0	8.0
July 6, 1976	25.0	23.9	24.2	10.0	8.0
July 6, 1977	30.0	27.9	28.4	11.0	8.0
May 29, 1978	36.0	33.3	34.4	14.0	10.0
July 6, 1978	48.0	42.6	44.7	18.0	11.0
July 6, 1979	59.0	52.0	55.0	22.0	13.0
March 22, 1981	63.0	46.0	58.0	23.0	14.0
February 17, 1985	69.0	47.0	60.0	25.0	15.0
April 3, 1988	90.0	65.0	83.0	35.0	20.0
February 3, 1991	105.0	59.0	88.0	43.0	25.0
January 1, 1995	124.0	70.0	104.0	50.0	31.0

\* Level A = Presorted to 5-digit  
\*\* Level B = Presorted to BMC

## CERTIFICATE OF SERVICE

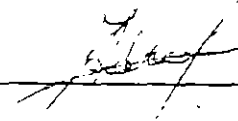
I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

  
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Scott L. Reiter

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
September 29, 1997

## DECLARATION

I, Mohammad Adra, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.



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Dated: 9-29-97